



STATE OF MARYLAND
MILITARY DEPARTMENT
FIFTH REGIMENT ARMORY
BALTIMORE, MARYLAND 21201-2288
728-3388

MDNG-AG-SPMO

29 December 1986

SPMO POLICY/GUIDANCE LETTER #23

SUBJECT: Life and Health Insurance Benefits

SEE DISTRIBUTION

1. Federal Employees Group Life Insurance (FEGLI).

a. Regular life insurance coverage is provided each newly appointed technician unless a waiver of coverage is initiated by the technician on SF 2817, Life Insurance Election (enclosure 1). The SF 2817 is part of the initial employment package and the technician should indicate their desire for basic life insurance coverage. If no SF 2817 is received from the new technician at the time of their appointment, they are considered as covered for basic life insurance purposes and a payroll deduction will be made. Technicians may, at any later date, cancel the insurance and stop the payroll deduction by initiating the waiver on a SF 2817.

b. Once insurance is declined (waived), technicians may not request enrollment for at least 12 months from the date of declination, and only then if they are under age 50 and can provide medical proof of insurability.

Enrollment anytime after the twelve months waiting period after declination (usually 12 months after initial appointment) must be accomplished by use of a SF 2822, Federal Employees Group Life Insurance Program, which may be obtained from the SPMO (enclosure 2).

c. When an individual enters on active duty for over 30 days, FEGLI coverage will continue for the period of charged military leave, plus an additional period of 31 days extended coverage. When coverage is terminated because of entry onto active duty, re-enrollment will be automatic and coverage will commence the first day of the first full pay period after return to duty, unless the insurance is declined by the submission of a signed waiver utilizing SF 2817.

d. FEGLI coverage may be cancelled at any time by completing a SF 2817, with a signature and date entered in Part 5, and forwarded to the SPMO.

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e. All death claims pertaining to FEGLI will be initialed and processed by the SPMO. Supervisors will advise the SPMO of any technician death as soon as possible.

2. Technician/Guard Insurance Plans (NGAUS).

a. The NGAUS Insurance Trust offers 3 types of insurance - Disability Income, Term Life Insurance and Permanent or Whole Life.

(1) The NGAUS Insurance offers two plans of disability income insurance.

(a) TECH PAY - works to protect your income in two important ways. FIRST: The Basic Disability Income benefit provides you with \$500 or \$600 each month, should a non-occupational sickness or accident prevent you from performing your occupation. TECH PAY benefits begin after 30 consecutive days of disability. SECOND: The Medical Severance Benefit recognizes the special demands of the military service. So, should you lose your technician employment because you cannot meet medical retention criteria, TECH PAY will pay the Medical Severance Benefit. With this provision eligible technicians separated from the Maryland National Guard for medical reasons, but not qualifying for Disability Income, will receive a lump-sum payment equal to 2 months of the TECH PAY monthly benefit. There is no requirement to be "totally disabled" to collect benefits under this policy provision.

(b) The Supplemental Disability Program provides added security for you and your family. Remember, both Disability Plans could provide up to \$1,100 each month in benefits. Coverage under this plan are based on your salary, and benefit payments commence after a waiting period of 60 consecutive days of total disability for technicians under 40, and 90 consecutive days for technicians over age 40. These benefits are paid in addition to TECH PAY benefits.

(c) If the technician applies within 31 days of his/her initial full-time employment as a technician, the technician qualifies for both TECH PAY and Supplemental Disability Income or a Guaranteed Acceptance Basis, complete Form NG 75 (Section I) (enclosure 3).

(d) After 31 days of the technician's initial employment, the application must be approved by the insurance company. To expedite processing, complete Form NG 75 (Section I) and forward to SPMO.

(2) Term Life.

(a) TECHLIFE. Is especially tailored to meet life insurance needs of technicians. Three important benefits of this plan are:

1. Up to \$25,000 "All Risk" Group Term Life Insurance. Unlike many plans, there are no exclusions for war, aviation, or suicide. Coverages are fully "portable" and may be continued as Term Insurance in scheduled amounts, to age 70, in the event your technician status ceases.

2. Double benefits for accidental death on, or off duty.

3. Special \$50,000 in additional benefits for accidental death while on State Active Duty.

(b) The TECHLIFE benefit is payable for death due to any cause. In addition the Accidental Death Benefit is payable if death occurs as a result of, and within 90 days of, an accident as defined in your policy (even as an aircraft pilot or parachutist) except for war or suicide. The State Active Duty Accident Death Benefit is paid in addition to other benefits for accidental death while on State Active Duty.

(c) Premiums are payable through payroll deduction from your pay check. Send no money with your application.

(3) GUARDLIFE.

(a) Whether or not you participate in TECHLIFE, both you and your spouse are eligible to apply for coverages of \$25,000 to \$150,000 under the GUARDLIFE Plan. Even if you do not apply, your spouse is eligible to apply for separate coverage.

(b) The GUARDLIFE benefit is payable for death from any cause (except for suicide during the first 2 years), and coverage is provided 24 hours a day, on or off the job. Both your civilian and military activities are covered. Civil GUARDLIFE is fully portable and has no war clause, it is an excellent supplement to personal or employer-provided coverages which may terminate (or require conversion) if you are called to Full-Time Active Duty.

(c) With GUARDLIFE, you and your spouse can each add a children's rider. This Rider provides a \$5,000 benefit per child to all unmarried dependent children from 14 days to 19 years (or age 25 if a full-time student at an accredited educational institute).

(d) Like TECHLIFE, premiums are payable through payroll deductions. Send no money with application.

(e) If you apply for TECHLIFE and/or the \$25,000 GUARDLIFE option within 31 days of your initial employment as a technician, your application will be guaranteed acceptance. Applications for spouse coverages or higher limits or coverages applied for after 31 days must be approved by the underwriter. To expedite this process, complete Form NG 75 (Section II) (enclosure 4) and forward to the SPMO.

(4) VALULIFE.

(a) Insurance provides group permanent life insurance for you and/or your spouse, with optional term insurance for your children. It provides permanent protection, for your whole lifetime even if you leave the National Guard or retire. VALULIFE has guarantees and economy, the kind of assurances you feel good about deciding to take care of life insurance needs. The insurance is portable. You have the binding guarantee that coverage will last throughout your lifetime and will never terminate due to action of someone else other than yourself.

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(b) Your VALULIFE coverage (including children's life insurance) will continue in force without payment of premiums if you become totally and permanently disabled, as defined in group policy prior to age 60.

(c) To apply. Complete Form NG 75, Section I or Section II, as appropriate.

3. Federal Employees Health Benefits Program.

a. The SPMO is responsible for the Health Benefits program of Maryland National Guard technicians.

b. Brochures pertaining to various health benefit plans are available from the SPMO. Each supervisor and manager should become familiar with the plans available to technicians in their locality. Each plan will be explained to technicians when initial appointment papers are prepared by the SPMO. Each technician will be provided a personal copy of the brochure pertaining to the plan elected.

c. The Federal Employees Health Benefits Program allows each technician 31 days from date of employment to enroll in one of the available plans. There are also certain other times or occurrences when changes are permitted. These times or occurrences are shown on the back of copy #2 SF 2809 Health Benefits Registration Form. The following are the more generally used exceptions.

<u>EVENT</u>	<u>CHANGES PERMITTED*</u>	<u>TIME LIMIT</u>
Open Season	1, 2 or 3 Once every year	As announced by OPM
Change in Marital Status (Marriage, Death, Divorce)	1, 2 & 3	From 31 days before to 60 days after change
Change in Family Status (Birth of Child)	2	Within 60 days after change
Move from Area Served by a Group Practice Plan	2 & 3	Anytime after move
Return to Civilian Service from Military Service of over 30 Days	1, 2 & 3	Within 31 days of return to civilian service

*1. From not enrolled to enrolled; 2. From self only to self and family; 3 from one plan or option to another.

d. Enrolled individuals entering military active duty or active duty for training for less than 30 days will continue to be covered by health and hospitalization insurance.

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e. Insurance coverage will terminate on the first day of military active duty for training for a period of 30 days or more. However, a 31-day period of extended coverage is provided without premium charge to all for conversion to a non-group policy if desired. Termination and reinstatement will be affected by the SPMO on SF 2810, Notice of Change in Health Benefits Enrollment. To reinstate insurance, a SF 52 must be submitted. Coverage will commence effective on the first day of return to civilian duty.

f. Health insurance may be cancelled at any time by completing Part D of SF 2809 and forwarding to SPMO. Cancellation becomes effective on the last day of the pay period after the pay period in which the SPMO receives the SF 2809.

g. Claims for health benefits are made directly to the carrier by the technician. The SPMO may be advised of any difficulty encountered in getting claims paid and will attempt to determine the source of delay; however, the carrier is responsible for determining adjudication of all claims. Claim forms are available from individual carriers.

FOR THE ADJUTANT GENERAL:

4 Enclosures


ELMER S. KEPPLER
LtCol, MdANG
Personnel Officer

DISTRIBUTION:

All Full-Time Support Managers/
Supervisors (Army and Air)